



STATE OF MICHIGAN

FOR IMMEDIATE RELEASE
Friday, June 10, 2005

CONTACT: Emily Carney
517-373-1725

Governor Playing “Budget Chicken” With People’s Lives

Granholm’s vow to close MYCF would devastate Lake County, gut services and uproot families

BALDWIN, Mich. – Governor Granholm’s latest salvo in the her battle to close the Michigan Youth Correctional Facility in Baldwin has put Lake County square in the crosshairs of financial ruin and threatens to pit communities against each other, state Sen. Michelle McManus and Rep. Goeff Hansen said today.

“The governor is playing a dangerous game of budget chicken and it seems she doesn’t care what it will do to the families of Lake County,” said McManus, R-Lake Leelanau. “Lake County, the state’s poorest, stands to lose tens of millions of dollars in economic activity if the governor succeeds in her ill-advised plan to close MYCF.”

Governor Granholm on Thursday threatened to hold up the state budget if lawmakers did not agree to her plan to close the Baldwin facility, the state’s only privately owned and managed prison. Doing so would eliminate 220 middle-class jobs and more than 25 percent of the area’s local tax revenue.

“If MYCF closes, it won’t matter to the people of Lake County whether there is a state budget because their economic future will be extremely bleak,” said Hansen, R-Hart. “I am disappointed that the governor has decided to turn the Baldwin facility into a political football.”

Lawmakers in the Michigan Legislature this week adopted a 2005-2006 budget that keeps MYCF open and funded. Although the Granholm administration said closing the facility would save the state \$18 million, independent reviews by the non-partisan House Fiscal Agency and the Auditor General pegged the actual savings at \$7.5 million, which paled in comparison to the more than \$10 million hit the Lake County economy would take if the prison closed. Instead, lawmakers have targeted the prison facility in Newberry for closing, which will save nearly \$30 million.

McManus said the governor's reasons for wanting MYCF closed seemed political rather than fiscal. She said the Michigan Corrections Organization, which represents corrections officers in state-run prisons, has been a constant and vocal opponent of the Baldwin prison. McManus also said that MCO has been one of the governor's strongest supporters in Organized Labor.

"The governor didn't seem to care about cutting 220 private sector jobs in Baldwin, but she sure changed her tune when it came to a like number of union-represented state employees in Newberry," McManus said. "If that doesn't smack of political pandering, I don't know what does."